

**IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF TEXAS
AUSTIN DIVISION**

IDENTITY SOFTWARE PTY LTD,

Plaintiff,

v.

MEDALLIA, INC.,

Defendant.

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§ CIVIL ACTION NO. 1:17-cv-01189

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§ **JURY TRIAL DEMANDED**

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ORIGINAL COMPLAINT AGAINST MEDALLIA, INC.

Plaintiff Identity Software Pty. Ltd., (“Plaintiff” or “Identity Software”), by and through its attorneys, file its Original Complaint against Medallia, Inc. (“Defendant” or “Medallia”), and demanding trial by jury, hereby alleges as follows:

I. NATURE OF THE ACTION

1. This is an action for patent infringement arising under the patent laws of the United States, 35 U.S.C. §§ 271, *et seq.*, to enjoin and obtain damages resulting from Defendant’s unauthorized use and performance in the United States of methods, processes, and/or services that infringe Identity Software’s United States patent, as described herein.

2. Medallia produces the platform Medallia Experience Cloud. Using this platform, Medallia performs the method disclosed in the ’495 patent and thus infringes the patented method.

3. Identity Software seeks past and future damages and prejudgment and post judgment interest for Medallia’s past infringement of the Patent-in-Suit, as defined below.

II. PARTIES

4. Plaintiff Identity Software is a proprietary limited company organized and existing under the laws of the Commonwealth of Australia. Identity Software's principal place of business is Level 1, National Innovation Center, Australian Technology Park, Eveleigh, Sydney, NSW 2015, Australia.

5. On information and belief, Defendant Medallia, Inc. is a corporation organized under the laws of the State of Delaware, having a principal place of business at 450 Concar Drive, San Mateo, California 94402. Medallia's registered agent for service of process is The Corporation Trust Company, Corporation Trust Center, 1209 Orange Street, Wilmington, Delaware 19801. Additionally, Medallia, Inc. has an established office location at 3300 N. Interstate Highway 35, Austin, Texas 78705.

III. JURISDICTION AND VENUE

6. This is an action for patent infringement which arises under the Patent Laws of the United States, in particular, 35 U.S.C. §§ 271, 281, 283, 284 and 285.

7. This Court has exclusive jurisdiction over the subject matter of this action under 28 U.S.C. §§ 1331 and 1338(a).

8. On information and belief, venue is proper in this district pursuant to 28 U.S.C. §§ 1391(b), 1391(c), and 1400(b). On information and belief, Defendant is deemed to reside in this Judicial District, has an established place of business in this Judicial District, has committed acts of infringement in this Judicial District, has purposely transacted business involving its exemplary accused products in this Judicial District, and/or has regular and established places of business in this Judicial District.

9. On information and belief, Defendant Medallia is subject to this Court's specific and general personal jurisdiction pursuant to due process and/or the Texas Long Arm Statute,

due at least to its substantial business in this forum, including: (i) at least a portion of the infringements alleged herein; and (ii) regularly doing or soliciting business, engaging in other persistent courses of conduct, and/or deriving substantial revenue from goods and services provided to individuals in Texas and in this Judicial District.

IV. FACTUAL ALLEGATIONS

PATENT-IN-SUIT

10. Identity Software is the owner of all right, title and interest in and to U.S. Patent No. 6,272,495 (the “’495 Patent”), entitled “Method and Apparatus for Processing Free-Format Data,” issued on August 7, 2001.

11. The foregoing patent is referred to herein as the “Patent-in-Suit.” Identity Software is the assignee of the Patent-in-Suit, and has all rights to sue for infringement and collect past and future damages for the infringement thereof.

12. The asserted method claims of the Patent-in-Suit are directed to methods of processing free-format data into text objects, examining the content of the data, and determining attributes of the gathered data. Furthermore, the method disclosed includes a semantic and syntactic analysis of the data. This relationship-based analysis allows for more in-depth analytics of the data and allows for user queries to be executed wherein results are provided based on the semantic or syntactic relationships of the provided data. Overall, the disclosed method permits the gathering and analysis of data, independent of formatting, and allows for more intuitive search results based on language structure and significance.

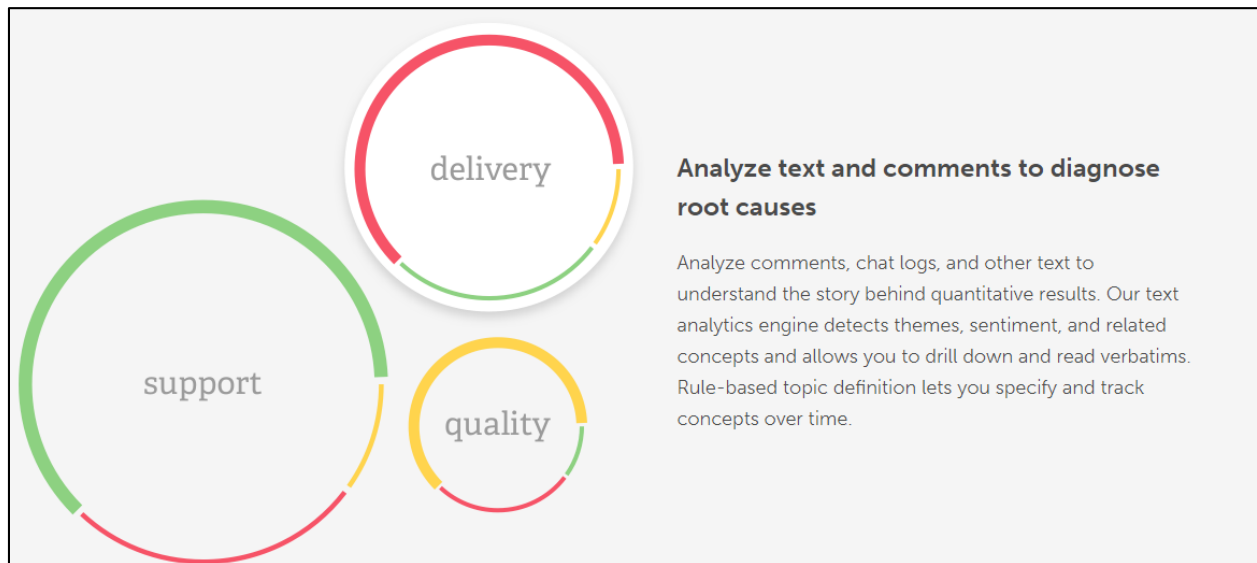
V. DEFENDANT’S ACTIONS

13. Defendant Medallia provides software and services directed to data gathering, natural language based analysis of data, and the detection of semantic and syntactic relationships in data.


14. For example, Medallia provides the Medallia Experience Cloud. This method executes data gathering, for both structured and unstructured data, data analytics, and provides for semantic and syntactic based searching through gathered data.

15. Medallia's Experience Cloud further provides the ability to produce semantic and syntactic information and relationships from the data gathered. These relationships aid in the production of results in response to a data query from the user.

16. Upon gathering the relevant data, Medallia's platform further applies analytics and analysis to determine weight and value of the data. This method further recognizes semantic and syntactic relationships among the data, regardless of format, and assists the user in creating query responses. The Business Analytics Platform uses natural language analysis on varying formats of data to identify relationships in the data and facilitate queries through the gathered data, as exemplified below.



Source: <https://www.medallia.com/solutions/research-insights/>



Language Engine

Use Medallia Text Analytics for unstructured feedback to discover what's important to your customers, and how they feel about your products, services, and company.

[Medallia Text Analytics](#) →

Source: <https://www.medallia.com/platform/>

Focus on what matters most by quantifying the impact of unstructured feedback.

Identifying trends and sentiment are one part of the equation, but how do you prioritize initiatives that will have the biggest impact on customer loyalty? Medallia complements text analytics with impact analysis to quantify customer comments, so you can address the most pressing key drivers.

Leverage machine learning to discover the unexpected.

Conventional text analytics is complicated, manual and rule-based, requiring human intervention to identify the right topics to track. This approach makes it easy to overlook the issues you don't know exist. Medallia's theme discovery engine uses machine learning to automatically identify new topics as they arrive — eliminating blind spots and highlighting unexpected problems before they become a widespread disaster.

Source: <http://www.medallia.com/text-analytics/>

Practice 5: Stimulate Organizational Learning

Organizational learning occurs when insights from one part of the organization combine with insights from other parts to inform broad-based improvements. But fully integrating feedback across the organization continues to be a big challenge because many large companies continue to analyze customer feedback in silos.³

Text analytics makes it possible to draw insights from unstructured feedback captured across disparate channels, functions, and business units.

By integrating customer feedback from these

Source: *Medallia The Big Story Behind Your Big Data*, Pg. 8, Available at: <https://go.medallia.com/rs/669-VLQ-276/images/Medallia-The-Big-Story-Behind-Your-Big-Data-2.pdf>

17. On information of belief, Defendant Medallia also implements contractual protections in the form of license and use restrictions with its customers to preclude the unauthorized reproduction, distribution and modification of its software. Moreover, on information and belief, Defendant Medallia implements technical precautions to attempt to thwart customers who would circumvent the intended operation of Medallia's products.

VI. COUNT ONE

INFRINGEMENT OF U.S. PATENT NO. 6,272,495

18. Identity Software incorporates by reference its allegations in Paragraphs 1-17 as if fully restated in this paragraph.

19. Identity Software is the assignee and owner of all right, title and interest to the '495 Patent. Identity Software has the legal right to enforce the patent, sue for infringement, and seek equitable relief and damages.

20. On information and belief, Defendant Medallia, without authorization or license from Identity Software, has been and is presently directly infringing certain method claims of the '495 patent including at least claim 1 and claims dependent therefrom, as infringement is defined by 35 U.S.C. § 271(a), including through practicing one or more method claims of the '495 Patent. Defendant Medallia is thus liable for direct infringement of the '495 Patent pursuant to 35 U.S.C. § 271(a). An exemplary infringing product includes the Medallia Experience Cloud, which gathers both structured and unstructured data, performs data relationship analytics, and allows the user to perform searches on the gathered data.

21. The Medallia Experience Cloud executes a "software as a service" collection and identification of data program. The platform is hosted by Medallia's service and the infringing

method is applied through Medallia's software. The platform utilizes semantic and syntactic "text analytics" to gather unstructured data, provide semantic and syntactic information about the data, and generate the ability to respond to queries in reference to the data, in a manner which infringes upon the '495 Patent.

22. As a result of Medallia's infringement of the '495 Patent, Identity Software has suffered monetary damages, and is entitled to an award of damages adequate to compensate it for such infringement under 35 U.S.C. § 284, but in no event less than a reasonable royalty.

VII. JURY DEMAND

23. Plaintiff Identity Software demands a trial by jury of all matters to which it is entitled to trial by jury, pursuant to FED. R. CIV. P. 38.

VIII. PRAYER FOR RELIEF

WHEREFORE, Identity Software prays for judgment and seeks relief against Defendant as follows:

- A. That the Court determine that one or more claims of the Patents-in-Suit is infringed by Defendant Medallia, either literally or under the doctrine of equivalents;
- B. That the Court award damages adequate to compensate Identity Software for the patent infringement that has occurred, together with prejudgment and post-judgment interest and costs, and an ongoing royalty for continued infringement;
- C. That the Court permanently enjoin Defendant pursuant to 35 U.S.C. § 283; and
- D. That the Court award such other relief to Identity Software as the Court deems just and proper.

DATED: December 20, 2017

Respectfully submitted,

/s/ Andrew G. DiNovo

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